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FEDERAL MARITIME COMMISSION

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FEDERAL MARITIME COMMISSION Docket No. 08-03

MAHER TERMINALS, LLC

COMPLAINANT

v.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

RESPONDENT

ANSWER

Respondent The Port Authority of New York and New Jersey (the "Port Authority") by and through its undersigned counsel, respectfully submits this Answer in response to the Complaint filed by Maher Terminals, LLC ("Maher"). To the extent not specifically admitted herein, all allegations of the Complaint are denied. Furthermore, the section headings contained herein are included only for purposes of clarity and organization, and the Port Authority does not admit, but rather hereby specifically denies, any factual or legal allegations in the headings used in the Complaint.

I. Complainant

A. The Port Authority is without information sufficient to form a belief as to whether Maher is a limited liability company ("LLC") registered in the State of Delaware and therefore denies the allegation.

B. The Port Authority is without information sufficient to form a belief as to whether Maher's corporate offices are located at 1210 Corbin St., Elizabeth, New Jersey, but acknowledges that Maher has facilities in Elizabeth, New Jersey.

II. Respondent

A. The Port Authority admits that it is a body corporate and politic created by Compact between the States of New York and New Jersey and with the consent of the Congress, and that it has offices at 225 Park Avenue South, New York, New York.

B. The Port Authority admits that it owns certain marine terminal facilities in the New York New Jersey area, including in Elizabeth, New Jersey. The Port Authority denies the remaining allegations of Paragraph II.B of the Complaint.

III. Jurisdiction

A. To the extent the allegations contained in Paragraph III.A. of the Complaint constitute legal conclusions, no response is required. To the extent that a response is required, the Port Authority admits that it is a marine terminal operator within the meaning of the Shipping Act, 46 U.S.C. § 40102(14).

B. The Port Authority admits that it and Maher are parties to agreement EP-249 filed with the Federal Maritime Commission ("Commission") and designated FMC Agreement No. 201131.

C. The Port Authority admits that it and APMT Terminals North America, Inc., formerly known as Maersk Container Services Company, Inc. ("APMT"), are parties to agreement EP-248 filed with the Commission and designated FMC Agreement No. 201106.

D. To the extent the allegations contained in Paragraph III.D. of the Complaint constitute legal conclusions, no response is required. To the extent that a response is required, the Port Authority denies the allegations contained in Paragraph III.D. of the Complaint.

E. To the extent the allegations contained in Paragraph III.E. of the Complaint constitute legal conclusions, no response is required. To the extent that a response is required, the Port Authority admits that it is a marine terminal operator within the meaning of the Shipping Act, 46 U.S.C. § 40102(14), and denies the remaining allegations contained in Paragraph III.E. of the Complaint.

IV. Statement of Facts and Matters Complained of

A. The Port Authority is without information sufficient to form a belief as to what Maher seeks and therefore denies the allegation. The Port Authority denies the remaining allegations contained in Paragraph IV.A. of the Complaint.

B. To the extent the allegations contained in Paragraph IV.B. of the Complaint constitute legal conclusions, no response is required. To the extent that a response is required, the Port Authority denies the allegations contained in Paragraph IV.B.

C. The Port Authority neither admits nor denies the allegations contained in Paragraph IV.C. of the Complaint, which consist solely of Maher's interpretations of the EP-248 and EP-249 agreements, and respectfully refers the Court to those agreements for the true contents thereof in proper context. The Port Authority denies the remaining allegations of Paragraph IV.C.

D. The Port Authority neither admits nor denies the allegations contained in Paragraph IV.D. of the Complaint, which consist solely of Maher's interpretations of the EP-248 and EP-249 agreements, and respectfully refers the Court to those agreements for the true contents thereof in proper context. The Port Authority denies the remaining allegations of Paragraph IV.D.

E. The Port Authority denies the allegations contained in Paragraph IV.E. of the Complaint.

F. The Port Authority neither admits nor denies the allegations contained in Paragraph IV.F. of the Complaint, which consist solely of Maher's interpretations of the EP-248 and EP-249 agreements, and respectfully refers the Court to those agreements for the true contents thereof in proper context. The Port Authority denies the remaining allegations of Paragraph IV.F.

G. The Port Authority neither admits nor denies the allegations contained in Paragraph IV.G. of the Complaint, which consist solely of Maher's interpretations of the EP-248 and EP-249 agreements, and respectfully refers the Court to those agreements for the true contents thereof in proper context. The Port Authority denies the remaining allegations of Paragraph IV.G.

H. The Port Authority neither admits nor denies the allegations contained in Paragraph IV.H. of the Complaint, which consist solely of Maher's interpretations of the EP-248 and EP-249 agreements, and respectfully refers the Court to those agreements for the true contents thereof in proper context. The Port Authority denies the remaining allegations of Paragraph IV.H.

I. The Port Authority neither admits nor denies the allegations contained in Paragraph IV.I. of the Complaint, which consist solely of Maher's interpretations of the EP-248 and EP-249 agreements, and respectfully refers the Court to those agreements for the true contents thereof in proper context. The Port Authority denies the remaining allegations of Paragraph IV.I.

J. The Port Authority denies the allegations contained in Paragraph IV.J. of the Complaint.

K. The Port Authority admits that during the year 2008 it negotiated with APMT to address APMT's claim that the Port Authority violated the Shipping Act by failing to provide certain premises in a timely fashion pursuant to EP-248. The Port Authority denies the remaining allegations contained in Paragraph IV.K. of the Complaint.

L. To the extent the allegations contained in Paragraph IV.L. of the Complaint constitute legal conclusions, no response is required. To the extent that a response is required, the Port Authority denies the allegations contained in Paragraph IV.L.

M. To the extent the allegations contained in Paragraph IV.M. of the Complaint constitute legal conclusions, no response is required. To the extent that a response is required, the Port Authority denies the allegations contained in Paragraph IV.M.

V. Violations of the Shipping Act

A. The Port Authority denies the allegations contained in Paragraph V.A. of the Complaint.

VI. Injury to Maher

A. The Port Authority denies the allegations contained in Paragraph VI.A. of the Complaint.

VII. Prayer for Relief

A. The Port Authority admits that it has met with Maher and discussed the disputes between them. The Port Authority denies the remaining allegations contained in Paragraph VII.A. of the Complaint.

B. The Port Authority denies that it violated the Shipping Act and denies that Maher is entitled to any relief. The Port Authority denies the remaining allegations of Paragraph VII.B. of the Complaint.

ADDITIONAL OR AFFIRMATIVE DEFENSES

First Additional or Affirmative Defense

The Complaint fails to state a claim upon which relief can be granted.

Second Additional or Affirmative Defense

The Port Authority's actions were justified because it acted in accordance with the Shipping Act.

Third Additional or Affirmative Defense

The Complaint is barred in whole or in part by the doctrines of laches, acquiescence, waiver, estoppel and other equitable and/or claim preclusion doctrines.

Fourth Additional or Affirmative Defense

The acceptance of benefits arising from Maher's continued possession of the premises constitutes accord and satisfaction of any obligation of the Port Authority or corresponding right of Maher.

Fifth Additional or Affirmative Defense

Maher's claims are barred in whole or in part by the doctrine of unclean hands.

Sixth Additional or Affirmative Defense

Maher's claims are barred by the applicable statute of limitations.

Seventh Additional or Affirmative Defense

Maher is not entitled to the relief sought because Maher materially breached its obligations under EP-249.

Eighth Additional or Affirmative Defense

To alter this agreement either retroactively or prospectively would alter the investment backed expectations of the Port Authority and its bond holders and would thus violate the Constitutions and laws of New Jersey, New York and the United States.

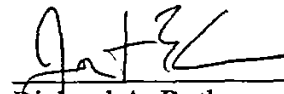
Ninth Additional or Affirmative Defense

Maher has failed to comply with the conditions prerequisite to suit against the Port Authority as set forth in the Port Authority's Compact at N.J.S.A. 32:1-157 et seq. and N.Y. Unconsol. Laws Section 7101 et seq.

WHEREFORE Respondent prays that the Complaint in this proceeding be dismissed.

Dated: July 1, 2008

Respectfully submitted,



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*Attorneys for The Port Authority of
New York and New Jersey*

The undersigned declares and certifies under the penalty of perjury that the statements set forth in this instrument are true and correct.


Dennis Lombardi, Deputy Director

On behalf of Rick Larrabee, Director of Port
Commerce

THE PORT AUTHORITY OF NEW YORK
AND NEW JERSEY
Port Commerce Department
225 Park Avenue South, 11th Floor
New York, NY 10003

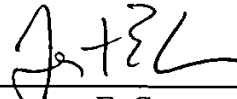
CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon the person listed below in the matter indicated, a copy to each such person.

Via Federal Express

Lawrence I. Kiern
Bryant E. Gardner
Gerald A. Morrissey III
Winston & Strawn LLP
1700 K Street, NW
Washington, DC 20006

Dated at Washington, DC
this 1st day of July, 2008



Jonathan E. Carr